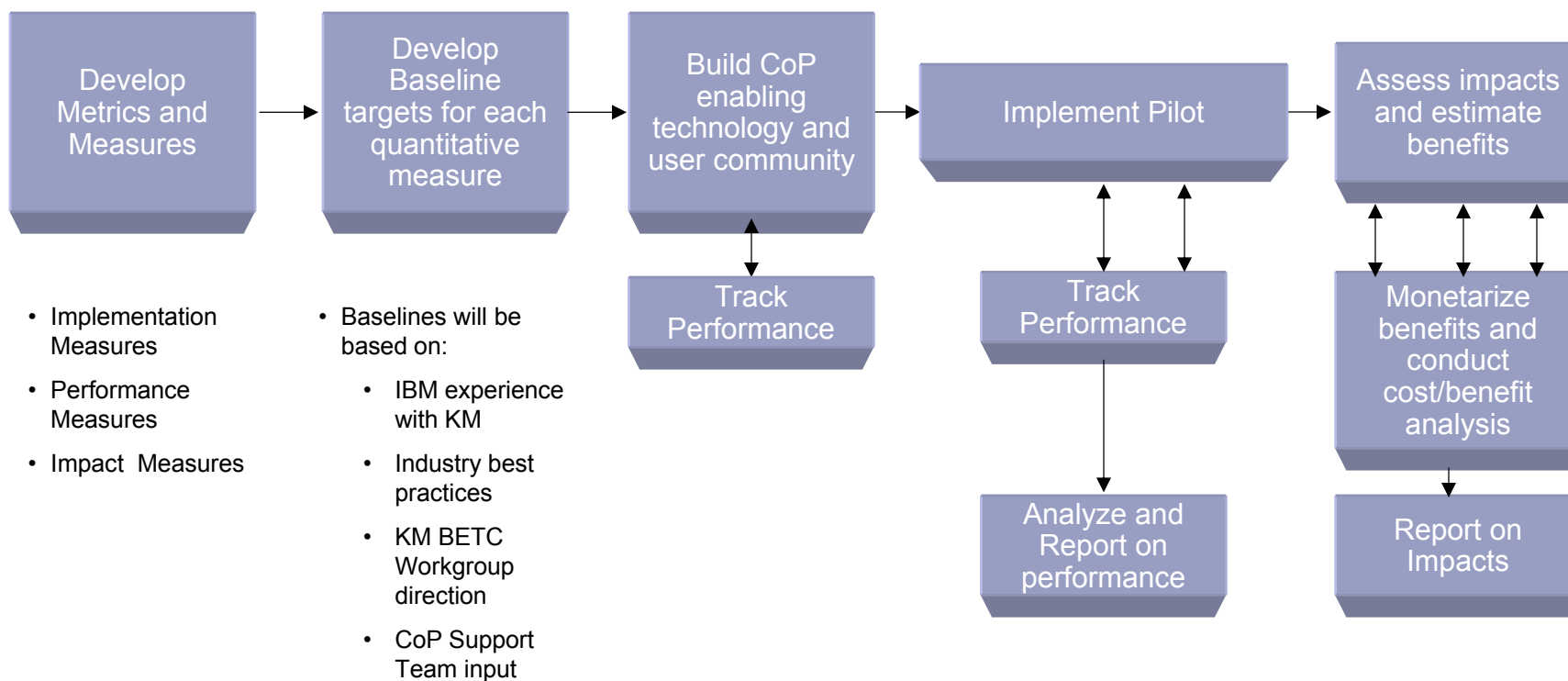# Measures and Metrics Approach

USAID
KM Workgroup

Tasks: Task 1.1, Develop CoP Framework

- Measures and metrics need to be developed to track the progress of the CoPs and communicate ongoing benefits to stakeholders

- We anticipate three types of measures to help us demonstrate progress and business benefits:

    - **Implementation Measures:** Demonstrates the CoP has been implemented
    - **Performance Measures:** Demonstrates that the system is being used
    - **Impact Measures:** Demonstrates the benefits of the system and presents the monetarized benefits as part of a formal benefit/cost analysis or success stories that can be presented to key stakeholders (e.g.,management, members, Congress)

- We will develop measures in an interactive way through working with the CoPs and codifying and clarifying formal measures

Develop CoP Framework

| Develop Metrics and Measures | → | Develop Baseline targets for each quantitative measure | → | Build CoP enabling technology and user community | → | Implement Pilot | → | Assess impacts and estimate benefits |

Track Performance

Track Performance

Monetarize benefits and conduct cost/benefit analysis

Analyze and Report on performance

Report on Impacts

- Implementation Measures
- Performance Measures
- Impact Measures

- Baselines will be based on:
  - IBM experience with KM
  - Industry best practices
  - KM BETC Workgroup direction
  - CoP Support Team input

Develop CoP Framework

Sample Measures and Rationale

	Potential Measures	Rationale/Purpose
Implementation Measures	• "Go-Live" with core functionality (as identified by the requirements analysis) fully operational • Core users identified, trained, and registered on the system • Core information (as defined by CoP Support Teams and Task 1 of this assignment) loaded into the system • Completed training, communication, and advisory plans completed	• Will demonstrate to management that: – The system is functioning and being use – There are plans for expanding the CoP beyond its initial user base

Performance Measures	• Registered members
	• Users/activity:
	  – Number of hits/hits per member
	  – Duration of each session
	  – Conferences started during specific time frame
	  – Messages posted to and read using CoP.
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	  – Number of documents uploaded/ downloaded
		• Will demonstrate to management the extent of the user base
		• Will allow us to identify success and challenges

Impact Measures	• "Soft Measures" (Anecdotal success stories obtained from users, user surveys) • "Hard Measures" -- monetarized benefits	• Demonstrates business benefits to stakeholders • Justifies budgets • Meets OMB requirements for IT spending

Develop CoP Framework

Sample Impact Methodology

Step 1: Develop use cases	Step 2: Estimate Time and Attribute Dollar/Hour Cost Pre-Implementation	Step 3: Estimate Time and Attribute Dollar/Hour Cost Post Implementation	Step 4: Estimate Cost Savings, Discount Savings over 5 Years
Conduct focused groups sessions to identify major functions and actions.For example:	Conduct focused groups sessions to obtain time estimate and frequency of action and attribute standard costs/hour.For example:	Conduct focused groups sessions to obtain time estimate and frequency of action and attribute standard costs/hour. For example:	Conduct formal cost benefit analysis to estimate savings. For example:

Step 2 — Information Search

Each member of a community spends:

1 hour 5 times/week = 5 hrs

Labor cost Assume $ 35/hour

Thus, annual cost =

$35 X 5hrs x 52 weeks = $9,100

Assume 50 core users

Total cost/year =

50 x $9,100 = $455,000

Step 3 — Information Search

Each member of a community spends:

0.25 hour 5 times/week = 2.5 hrs

Labor cost Assume $ 35/hour

Thus, annual cost =

$35 x 2.5hrs x 52 weeks = $4,050

Assume 50 core users

Total cost/year =

50 x $4,050 = $202,500

Step 4:

Cost of application = $100,000 NPV

Implementation = $30,000 NPV

Training and maintenance = $2,00/year NPV

Total five year cost = $140,000 NPV

Savings = 455,000 – 202,500 = $252,500

Benefit = 252,500 – 140,000 = $112,500

Step 1 items:

Information Search

Information Contribution

Communication and network building

Knowledge sharing